

# First Sentinel PLC Investment in Perennial Enterprises, Australia

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First Sentinel PLC

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First Sentinel Acquires 80% interest in Perennial Enterprises, Australia

4 December, 2017 - First Sentinel Plc (NEX Exchange: FSEN), ("First Sentinel" or the "Company") is pleased to announce the acquisition of an 80% interest in Perennial Enterprises Pty Ltd ("Perennial"), a company operating a growing Invoice Purchase business in Sydney, Australia (the "Acquisition").

About Perennial Enterprises Pty Ltd.

Perennial (also trading as Access Factors) is a Sydney-based, debtor finance/factoring business with a focus towards the crash repair, labour-hire and mining industries. By purchasing their clients' invoices Access Factors unlocks the restriction placed on a business's cash flows due to lengthy payment terms, thus providing businesses with liquidity for their operational needs.

Since June 2014, Perennial has progressed from purchasing invoices of AUD\$600,000 a month to over AUD\$5 million a month.

For the Year ended June 30(th) , 2016 Perennial disclosed the following:

1. Revenue of AUD\$680,000 (circa GBP400,000)
2. After-tax profit of AUD\$142,000 (circa GBP84,000)

3. Total assets of AUD\$1.76 million (circa GBP1.04 million), including AUD\$196,000 (circa GBP116,000) in current assets

4. Total company liabilities of AUD\$1.62 million (circa GBP943,000)

Brian Stockbridge, CEO of First Sentinel stated: "We are pleased to welcome the Perennial team to First Sentinel. This union aligns with our expansion strategy and helps us to continue strengthening our portfolio of assets. The team at Perennial has developed a competitive business with an excellent reputation for being reliable and customer focused. We look forward to working with Perennial to increase its funding capability."

About the Transaction

First Sentinel Perennial Limited ("FSP"), a wholly owned subsidiary of First Sentinel PLC, has acquired 70% of the issued share capital of Perennial in exchange for 250,000 A class shares of FSP of 0.1p each. The shareholders of Perennial own all of the FSP A shares in issue and retain the right to all profits from the activities of FSP provided that First Sentinel, as the FSP ordinary shareholder has received a sum equivalent to or in excess of an amount representing 10 per cent of the capital invested by it into FSP (being working capital provided for use in FSP's business). In addition, First Sentinel has acquired 10% of the issued share capital of Perennial from Shane Perry, the Founder of

Perennial, in exchange for the issue of 707,937 new shares in the Company ("Share Issue") at a price of 13p per share equating to a total consideration of GBP92,032 plus options over 4% of the issued share capital of the Company at time of exercise with an expiration date of 1 December 2019 at an exercise price of 13p per share. Following the Share Issue, the Company has 14,158,740 Ordinary Shares in issue, each share carrying the right to one vote. The Ordinary Shares to be issued pursuant to the Share Issue will rank pari passu with existing Ordinary Shares.

The above figure of 14,158,740 should be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

The Acquisition will be beneficial to both parties and will allow First Sentinel to continue with the expansion of its stated investment activities into debt investments in the form of invoice purchasing.

#### Appointment of Director

In conjunction with the Acquisition, Shane Perry has agreed to join the board of FSP as an Executive Director and also join the board of First Sentinel as a Non-Executive Director.

#### Additional Information

Mr. Shane Young Perry (aged 36) has the following directorships and any partnerships currently and within the five years prior to his appointment:

##### Current

Perennial Enterprise Pty Ltd

Syp & Cmp Pty Ltd

##### Former (within the last 5 years)

Oshue Pty Ltd

Safeguard Investments Pty Ltd

Syp Investments Pty Ltd

Mr. Shane Perry owns 707,937 shares in the Company representing 5% of the issued share capital of the Company and has options over new shares in the Company representing 4% of the issued share capital of the Company exercisable at a price of 13p per share.

Save as disclosed above, there is no additional information relating to Mr. Shane Perry to be disclosed pursuant to paragraph 21 of Appendix 1 of the ISDX Growth Market - Rules for Issuers.

#### About First Sentinel

First Sentinel is an alternative investment company focused on providing growth capital for public and private company investments. First Sentinel invests in a range of debt and equity instruments in target portfolio companies. Please visit the Company's website at [www.first-sentinel.com](http://www.first-sentinel.com)

The Company is registered with the FCA as a small authorised UK AIFM.

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